

Statement of Candice Miller
Chairman
Subcommittee on Regulatory Affairs
Committee on Government Reform
United States House of Representatives
Washington, DC
March 8, 2006

On March 7, 1995 the U.S. House of Representatives passed the Paperwork Reduction Act of 95 by a vote of 423-0. We are here 11 years and one day later reviewing what we have accomplished since then and since the PRA passed originally just over 25 years ago.

Although we have established a strong system and eliminated hundreds of millions of hours of unnecessary paperwork, we have added billions of hours of paperwork burden even faster. Since its passage in 1980, we have increased total government-wide burden by over 400% to more than 8 billion hours today. If future Members of Congress were to look back and say that our actions today increased burden another 400% in 25 years to over 30 billion hours, then I would say we had failed.

In a time of increasing global competitiveness, the United States must be the best place in the world to do business. Part of being the best place in the world to do business means that we have to quench the Federal government's appetite for unnecessary information. No one can say with a straight face that every single form, every question, or every recordkeeping requirement of the government is absolutely necessary. So we have set out as a Congress, many times, to put the right structure in place to create incentives to reduce burden and disincentives to increase burden. But even now, we do not seem to have the right formula.

In 1995, we established a set of certification requirements to force agencies to do the tough work of justifying their information collections. These requirements would force agencies to prove they were avoiding duplication of information, reducing burden on the public and small entities, writing their forms in plain English, and that the information they were collecting was really necessary to their programs. The GAO has conducted a comprehensive study of agency certifications and found them wanting. Agencies were missing or provided partial support for 65% of the collections in GAO's sample. Most agencies are not fulfilling their requirements for public consultation either.

The watchdog for these agencies is the office we created in 1980 within the Office of Management & Budget known as the Office of Information & Regulatory Affairs or OIRA. OIRA reviews each of these collections and can approve its use for up to three years. The office has also had the responsibility of coordinating percentage reduction targets between agencies and reporting annually to Congress on progress toward burden reduction.

As we have demanded more of OIRA, we have given it fewer resources. As the size and scope of government has increased, OIRA has shrunk. It would be a different story if we had achieved our burden reduction goals while reducing OIRA's resources, but that is not the case. At the same time that OIRA's budget decreased, the budgets devoted to writing, administering, and enforcing regulations went from \$11 billion in 1980 to \$44 billion today. While OIRA's staff has declined from 90 down to 50 employees; the staff dedicated to writing, administering, and enforcing regulations has increased from 146,000 in 1980 to over 242,000 today.

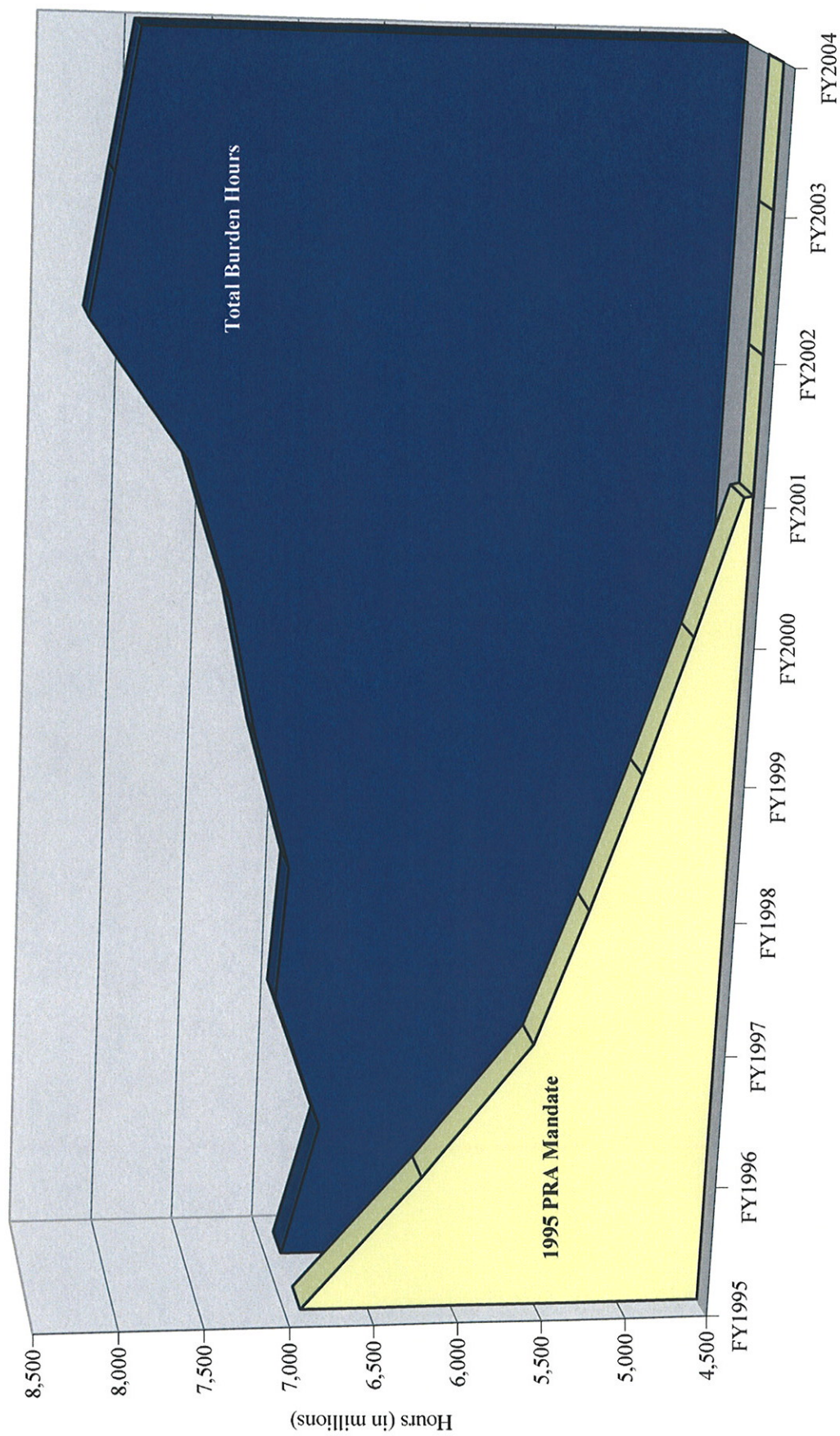
Part of the work we must do in our review of the PRA is reauthorizing appropriations for OIRA which expired in 2001. We want to make sure that they have the resources to do the job that Congress expects of them. And OIRA's other functions including regulatory review are as critical as ever. Burden imposed by regulation is every bit as costly and serious as burden imposed by paperwork. In fact, they are often two sides of the same coin. New regulations impose new paperwork requirements.

The specific burden reduction targets of the 1995 PRA were not accomplished. That act required a target for reducing government-wide burden by 40% between 1996 and 2001. If that would have been achieved, total burden would have measured 4.6 billion hours in 2001 rather than 7.5 billion hours. And we wouldn't be on our way to more than 9 billion hours during the next year.

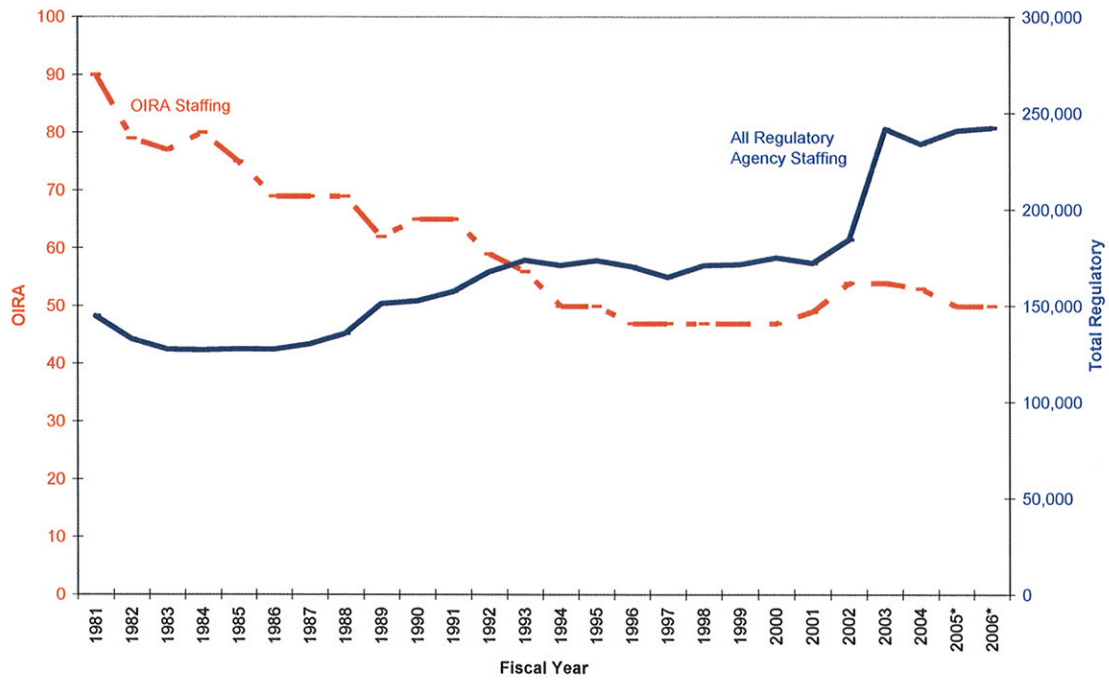
We have a big challenge ahead of us. Chairman Davis and I are in the process of writing legislation to improve the PRA and our government's efforts at burden reduction. And that is why I am so glad that we have such excellent witnesses before us today. I am looking forward to your testimony and your counsel on how we can amend the law to reduce unnecessary government burdens and improve our nation's competitiveness.

I'll now recognize Mr. Lynch for his opening statement.

Government-Wide Burden



Comparison of OIRA Staffing to Total Regulatory Agency Staffing



OIRA vs. All Regulatory Agencies
Real Spending (Millions of 2000 dollars)

